

No. L. 162—L. B. 56-25-14, dated 19th August 1925.

Under Rule 22 of the Village Panchayet Election Rules of 1918, the term of the Village Panchayets in the Alur Sub-Taluk, as noted below, is extended till the end of August 1925:—

(1) Kiragadlu.

(2) Kanatur.

No. L. 143—L. B. 58-25-7, dated 19th August 1925.

Under Rule 22 of the rules for the election of Members of Village Panchayets issued with Notification No. 959—L. B. 6-18-2, dated 13th July 1918, and amended by Notification No. L. 2700—L. B. 4-21-2, dated 11th November 1921, Government are pleased to extend the term of the undermentioned Village Panchayets in the Kumsi Sub-Taluk till the reconstitution is formally notified:—

1. Harnahalli.

3. Dyavinakere.

2. Mandaghatta.

4. Balekoppa.

By Order,

B. NAGAPPA,

Secretary to Government,
Local and Legislative Departments.

BANGALORE CITY MUNICIPALITY.

No. 5.

PROCEEDINGS OF AN ADJOURNED SPECIAL MEETING OF THE CITY MUNICIPAL COUNCIL, BANGALORE, HELD ON WEDNESDAY THE 5TH AUGUST 1925 AT 5 P.M. IN THE COUNCIL CHAMBER.

Present

23

Absent

7

Subjects.

1. Further consideration of the Government Order No. L. 509-512—Ml. 127-23-13, dated 22nd July 1925, on the Scheme of Water-supply, Bangalore City.

2. Also certain draft resolutions proposed by the President.

Letter, dated 5th August 1925, from Mr. J. R. Issac, Municipal Councillor, stating that he is unable to be present at this meeting, was read and recorded.

Before the proceedings began, the President brought to the notice of the Council that three petitions had been handed to him just then, purporting to be from certain rate-payers requesting that this meeting of the Municipal Council might be adjourned for a month, as they wanted to hold a public protest meeting and submit a petition to His Highness the Maharaja in the matter. The President observed that the petitions may be simply recorded as the petitioners had no *locus standi* in regard to the adjournment of a Council meeting. This was agreed to by the Council.

Mr. C. N. Narasinga Rao proposed and Mr. G. B. Raghavendrachar seconded that the whole house do go into a Committee and consider the draft resolutions proposed by the President, as such a course would enable the Councillors to speak more than once and facilitate free discussion of the whole question. Messrs. S. N. Sitarama Rao and C. Hayavadana Rao spoke in support of this proposition and it was resolved unanimously that the whole house do go into a Committee under Rule 27 of the rules relating to the conduct of business.

Proceedings in Committee.

Mr. C. N. Narasinga Rao said that he had drawn up a scheme, which if approved would enable the Council to work out the proposed scheme without enhancing the water tax from 3 to 4½ per cent and placed before the Committee, the following resolutions:—

Resolved that in view of the outright grant by the Government of three and one-third lakhs and three-fourths of a lakh by the Municipality, the loan to be discharged amounts to six lakhs and the same can be discharged without having recourse to an increased water-rate from three to four and a half per cent, the same be not levied at present."

The President pointed out that the Government had passed orders approving of the whole scheme, submitted by the Council after mature and long deliberation; that it was not open for the Council to go back on its original proposals; that the enhancement of water tax had already become an accomplished fact and that all that remained was action under Section 62 of the Municipal Regulation. Under that section they had already published notices in local newspapers, specifying the date from which the enhanced taxes would be levied and therefore it would not be in order to reconsider the question at this stage. He however permitted discussion to elicit the views of other members. Messrs. G. B. Raghavendrachar and S. N. M. Razvi supported the contention of the mover of the proposition, while Messrs. G. Paramasiviah, C. Hayavadana Rao and V. A. Krishnamurthy Mudaliar opposed the proposition as *ultra vires*. Messrs. P. Subbarama Chetty, M. Ramachandra Rao Sindia

and R. Gopalaswami Iyer also took part in the discussion. Mr. Belur Srinivasiengar said that under Section 47 of the Municipal Regulation, the Council had the power to suspend, reduce or abolish any tax and that apart from the merits of the present case, it was not correct to say that the question of abolishing the tax cannot be considered at this stage. The President pointed out that the section referred to "Existing Taxes" and not those which were about to be imposed under Section 62 of the Municipal Regulation from 1st October 1925.

Mr. C. Hayavadana Rao pointed out that Section 47 had no application to the present case as all necessary action under Sections 59 and 62 of the Municipal Regulation had been taken and that it was not open at this stage to the Council to go back on its original well-considered resolutions, which had been duly approved by the Government and notified in the papers.

As Mr. C. N. Narasinga Rao wanted a ruling from the Chair on the point, the President ruled that the point raised by Mr. Narasinga Rao was out of order and that further discussion thereon could not be allowed under the rules.

Mr. C. N. Narasinga Rao then took up the question of maintenance charges and stated that the Council had not committed itself to any policy and therefore the question of maintenance charges would have to be considered after the improvements are effected and control over water works transferred to the Municipality. There was accordingly no need in his opinion to make any provision for this purpose as suggested in the draft resolutions of the President. Mr. G. B. Raghavendrachar supported his view. The President said that this point had been discussed over and over again and the whole scheme as sanctioned by Government is subject to the one condition that the Municipal Council would bear completely the maintenance charges. He traced over again the history of this question since the year 1920 and the subsequent developments it underwent and read the resolutions adopted by this Council from time to time and invited the attention of members particularly to those resolutions passed by the Council on the 7th March and 20th May 1925. On this Mr. Narasinga Rao withdrew his objection.

Mr. C. N. Narasinga Rao next pointed out that the depreciation charges proposed were exorbitant, that there was no reason why the present generation should be penalized to favour the posterity and suggested the deletion of the sum of Rs. 41,000 and odd. Mr. C. Hayavadana Rao pointed out the futility of the proposal and emphasised the fact that nowhere a work of this nature sought to be maintained perpetually without providing for adequate depreciation charges. He further remarked that because the scheme of Sir K. Seshadri Iyer, which provided the maintenance for depreciation fund, was not adhered to, the Council had been now landed into difficulties.

On this Mr. C. N. Narasinga Rao modified his proposal and urged for the provision of only Rs. 20,000 instead of Rs. 41,000 and odd.

Mr. C. Hayavadana Rao further dwelt on the subject and stated that the amount now provided was at a low rate and that it was unbusinesslike to reduce it any further. Mr. G. Paramasiviah observed that whatever amount may be available as surplus would be put into the Depreciation Fund. Mr. C. N. Narasinga Rao did not press the point further. But he however observed that the amount of Rs. 2,17,000 mentioned in the budget under the head "Maintenance Charges" included 'Dépréciation'. To this, the President replied that the savings accruing from all such items would go to the Municipal Treasury.

Mr. Belur Srinivasiengar, pointed out in a forcible speech that as regards control over the water works, the Government were going back on their declared policy as communicated to the Municipal Council from time to time and it was necessary that the control must vest in the Municipality. But considering the circumstances explained in the Government Order under discussion, he emphatically urged that at least the City portion of the distribution part of the works should be transferred to the Municipality. The Committee approved of this suggestion.

The draft resolutions proposed by the President were next discussed in detail and were unanimously approved by the Committee, with the addition of the following resolution:—

"Resolved also that Government be requested to transfer the City portion of the distribution of the Water Works, to the Bangalore City Municipal Council as and from 1st July 1926 or from the date on which the new improvements are effected and notified to the Council."

The Council then resumed its sittings as Council and unanimously confirmed all the resolutions adopted by the Committee which are detailed below:—

1. Resolved that the Council do adopt and submit for the acceptance of Government the scheme appended herewith as Annexure (A) showing the ways and means for complying with the two conditions (b) and (c) mentioned by Government in their Order dated 22nd July para 10 (2).
2. Resolved further Government be requested to issue early their orders referred to in para 12 of their Order dated 22nd July 1925, in terms of the proposals already submitted.

3. Resolved further that as regards bearing the maintenance charges of the works from 1st July 1926, Government be respectfully informed that in view of what they state in para 13 of their above quoted Order, dated 22nd July 1925, that Government do pay one-third of the maintenance charges and the Council find from their own revenues the other two-thirds as and from the date of the new Water Works Scheme is put into operation or from 1st July 1926, with- in which date they earnestly request that the new scheme to be put into opera- tion, the works being pushed through meantime with that end in view.
4. Resolved also that Government be requested to transfer the City portion of the distribution of the Water Works to the Bangalore City Municipal Council as and from 1st July 1926 or from the date on which the new improvements are actually effected and notified to the Council.
5. Resolved also that Government be informed that the Council appreciate fully the present position as regards the transfer of management of the Water Works to the Municipal Council and, in view of what they state, Government be re- quested to meet as detailed in Resolution 3 above, one-third of the annual maintenance charges, inasmuch as the management will actually vest in them as heretofore and the establishment and over-head charges are too heavy for the Council to bear at least in the immediate present.
6. Resolved also that Government be respectfully requested to pass very early orders on all the matters now submitted to them, so that the City may be assured of an improved supply of water before 1st January 1926.

ANNEXURE A.

Sinking Fund for an interest on Rs. 6 lakhs loan.—

Scheme as required by Government in para 10 (2) (d) of their Order, dated 22nd July 1925.

Total sum required	Rs. 10 lakhs
Government grant	3½ "
Balance	6½ lakhs
Municipal grant from cash reserve	½ "
Loan required	6 lakhs

Taking the loan to be for Rs. 6 lakhs and taking also for granted that the period of the loan is 30 years, and that the payment is to be annual and the agreed rate of interest at 5 per cent per annum, the amount to be paid into the Sinking Fund yearly will be Rs. 9,060. (See Annexure B.)

The total payment would be as follows:—

Thirty payments into Sinking Fund at Rs. 9,060 per annum	Rs. 2,71,800
Thirty payments of interest at 5 per cent on Rs. 6 lakhs at Rs. 30,000 per annum	9,00,000
Total	11,71,800

The new heads and revised heads of taxation and the revised house connection charges will, it is expected, yield Rs. 96,000 per annum

Under the scheme the excess water charges would be re-transferred to the Council, which at present amount to 44,000

The amount now paid out of current revenues under the head of water supply and maintenance charges. (P. 9 of the Municipal Budget Estimates, 1925-26.) 52,000

Total 1,92,000

Additional revenue from remunerative works as per (Annexure C) 30,000

Savings from new water works under electric charges and water charges paid to C. & M. Station 45,000

Additional income from unmetered 3,200 houses to be metered out, 1,000 houses per annum, in a period of 3 years, provisions being made for the same 50,000

Total 3,17,000

This total revenue may thus be allocated to:—(1) The Sinking Fund, (2) Interest on Loan Advanced, (3) Depreciation on works, (4) Maintenance charges, and (5) Minor renewals and Sundry repairs.

	Rs.
To Sinking Fund as above	9,060
To interest on loan as above	30,000
To Depreciation Fund. (At 2½ per cent on Rs. 3½ lakhs and at 5 per cent on Rs. 6,60,000)	2,41,275
To maintenance charges in full on present scale. (See Mysore State Budget Estimates for 1925-26, Page 58.)	2,17,000
To minor renewals and Sundry repairs fund	16,000
Total	3,12,335
Rounding off	3,13,000

The anticipated revenue being Rs. 3,17,000 and the expenditure being as above Rs. 3,13,000, there will be available balance of Rs. 4,000 under this head.

The Sinking Fund is proposed to be maintained at the Bank of Mysore, Ltd., Bangalore, with whom special arrangements as to maintenance of Fund, the interest, rate to be allowed on it, etc., will be arranged for by the Council.

The interest will be paid to Government annually on 1st October of each year through the same Bank together with the payment into the Sinking Fund on the same date, the new scheme of taxation coming into force, under the Law, on 1st October 1925.

ANNEXURE B.

Sinking Fund Table. (Yearly Payment.)

No. of years over which loan extends	No. of payments to sinking Fund	Amount of interest received from Sinking Fund yearly		
		5 per cent	5½ per cent	6 per cent
25	25	·0210	·0196	·0182
30	30	·0151	·0138	·0126

ANNEXURE C.

Additional Revenues from Remunerative Works.

1. Proposed Setu Rao's Street Shops. (Rent.)	Rs. 400 x 12 or	4,800
2. Market Rear Stalls. (Rent.) (Under construction.)	Rs. 300 x 12 or	3,600
3. Proposed Grain Bazaar. (Rent.)	Rs. 400 x 12 or	4,800
4. Proposed shops on the site of the present Mutton Market.	Rs. 1,000 x 12 or	12,000
5. Market Departmental collections (as per actuals)		7,000
Total		32,000

MAHOMED ABBAS KHAN,
Honorary President.